

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

CRYSTALLEX INTERNATIONAL
CORPORATION,

Plaintiff,

v.

BOLIVARIAN REPUBLIC OF VENEZUELA,

Defendant.

Case No. 1:17-mc-00151-LPS

**CONOCOPHILLIPS' REPLY IN SUPPORT OF SPECIAL MASTER'S MOTION TO
EXPEDITE BRIEFING AND CONSIDERATION OF THE SPECIAL MASTER'S
MOTION TO ENJOIN THE ALTER EGO CLAIMANTS FROM ENFORCING CLAIMS
AGAINST THE REPUBLIC OR PDVSA BY RECOVERING FROM PDVH OR ITS
SUBSIDIARIES IN OTHER FORUMS**

Sale Process Parties Phillips Petroleum Company Venezuela Limited, ConocoPhillips Petrozuata B.V., ConocoPhillips Gulf of Paria B.V., and ConocoPhillips Hamaca B.V. (Plaintiffs in Cases No. 19-mc-00342-LPS, No. 22-mc-00264-LPS, and No. 22-mc-00464-LPS) (“ConocoPhillips”) respectfully submit this Reply in support of the Special Master’s Motion to Expedite Briefing and Consideration of the Special Master’s Motion to Enjoin the Alter Ego Claimants from Enforcing Claims against the Republic or PDVSA by Recovering from PDVH or Its Subsidiaries in Other Forums [D.I. 1251] (the “Motion”).

ARGUMENT

The Alter Ego Claimants’ attempt to circumvent this Court’s ordered sale process jeopardizes the Special Master’s ability to secure a value-maximizing sale of PDVSA’s shares of PDVH for the benefit of the Attached Judgment holders, including ConocoPhillips. The Alter Ego Claimants have objected to the Special Master’s request for an expedited schedule, asserting that there is no justification for expedition given that the Special Master did not immediately seek relief upon learning that the Alter Ego actions had been filed. However, ConocoPhillips understands that it was only recently that the Special Master learned that one or more potential bidders are becoming increasingly concerned that the value of the shares could be significantly impaired if the Alter Ego Claimants prevail in reaching the assets of PDVH on an alter ego theory. It now appears that the uncertainty as to the shares’ actual value while the Alter Ego Claimants’ claims against PDVH remain pending have become an impediment to bidders’ willingness to commit to acquire the PDVH shares through the Court-ordered sale process. This uncertainty, in turn, threatens the prospects for recovery by ConocoPhillips, which has been seeking recovery for its claims against the Republic of Venezuela and PDVSA for more than 17 years, as well as Crystallex and the other Attached Judgment holders.

Expedition is necessary because the forthcoming September 16, 2024 deadline for the Special Master to submit his Notice of Final Recommendation is less than a week away, and the Sale Hearing is scheduled for November 19, 2024. In advance of the Sale Hearing, the Motion should be resolved so that bidders in the sales process may have confidence in the value of the assets they are seeking to purchase, ensuring a value-maximizing sale.

For the foregoing reasons, the Motion should be granted. Additionally, ConocoPhillips respectfully requests the ability to file a short reply brief in support of the Special Master's Motion.

Respectfully submitted,

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